



Appropriations Update

Committee on the Budget • Majority Caucus
U.S. House of Representatives
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FISCAL YEAR 2005 HOMELAND SECURITY APPROPRIATIONS BILL Conference Report

SUMMARY

On 9 October 2004, the House passed the conference report accompanying the Homeland Security appropriations bill (H.R. 4567; H. Rept. 108-541) by 368-0. The measure was passed by the Senate in a voice vote on 11 October 2004, and signed by the President on 18 October 2004.

The conference report provides new budget authority equal to the 302(b) suballocation for the Appropriations Subcommittee on Homeland Security.

Even though this conference agreement does not exceed the 302(b) suballocation, it nevertheless violates the Congressional Budget Act because it further breaches of the 302(a) allocation to the Committee on Appropriations that exists under the current continuing resolution [CR]. The CR is funding most programs that receive annual discretionary appropriations. (See *Appropriations Update* Volume 4, No. 14, 7 October 2004, detailing how the CR breaches the 302(a) allocation.)

COST OF THE LEGISLATION

The conference report provides \$32.000 billion in new budget authority [BA] and \$29.819 billion in outlays for 2005 – an increase of \$3.191 billion in BA and \$3.152 billion in outlays from fiscal year 2004. The BA is \$1.05

billion above the President's request (see Table 1 below). The measure does not contain emergency-designated new BA. It does include \$80 million in rescissions of previously enacted BA, with \$52 million in related outlays.

Table 1: Homeland Security Appropriations Bill
(fiscal years; millions of dollars)

	2004 Spending ^a	Administration 2005	302 (b) for 2005	Bill ^b
Budget Authority	28,809	30,950	32,000	32,000
Outlays	26,667	28,990	29,873	29,819

^a Does not include \$379 million in BA and \$83 million in outlays included in the fiscal year 2004 Iraq conflict supplemental (Public Law 108-11) or \$2 billion in BA for 2004 Disaster Relief Supplemental (Public Law 108-303).

^b Does not include \$622 million in outlays from the 2004 Disaster Relief Supplemental (Public Law 108-303), or \$6.533 billion in BA and \$1.876 million in outlays from the fiscal year 2005 Emergency Appropriations for Hurricane Disasters Assistance Act.

COMPLIANCE WITH THE BUDGET RESOLUTION

The conference agreement does not comply with section 302(f) of the Budget Act, but does comply with section 311(a) of that Act. The first of these prohibits consideration of bills in excess of either the 302(a) allocation of new BA

to the Appropriations Committee, or the 302(b) suballocation of new BA for the subcommittee responsible for the programs in that appropriations bill. The second, section 311(a), prohibits consideration of legislation

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exceeding the aggregate levels of budget authority and outlays established in the concurrent resolution on the budget.

The \$32 billion in new discretionary BA provided by the bill is equal to the 302(b) suballocation to the Subcommittee on Homeland Security; outlays are \$54 million below the allocation. Nevertheless, because the current continuing resolution (Public Law 108-309) results in \$841 billion in BA – exceeding the \$822 billion BA provided by the budget resolution – the section 302(f) point of order for exceeding the 302(a) allocation would still lie against the measure. (The continuing resolution exceeds the allocation because it assumes that supplemental appropriations passed in 2004 –

which were intended as one-time spending measures – are appropriated again every year thereafter.)

There is still ample room under the budget's BA ceiling: the budget resolution included \$50 billion in budget authority for fighting the Iraq war, and that BA has not been provided through legislation. Thus, the Homeland Security conference report does not violate section 311(a).

The unanimous consent agreement providing for consideration of the conference report waived all points of order against it and its consideration, so the section 302(f) violation did not prevent the conference report from being cleared for the President.

Table 2: Discretionary Spending in the Homeland Security Appropriations Bill
(in millions of dollars)

	2004 Budget Authority ^a	2004 Outlays ^a	2005 Budget Authority ^b	2005 Outlays ^b	Difference BA	Difference Outlays
Border and Transportation Security	11,402	10,959	12,270	11,945	868	986
Coast Guard	5,780	5,741	6,288	6,144	508	403
Emergency Preparedness and Response	3,660	5,043	5,498	4,898	1,838	-145
Secret Service	1,134	1,097	1,175	1,171	41	74
Citizenship and Immigration Services	235	195	160	152	-75	-43
Science and Technology	913	301	1,116	707	203	406
Department Management	4,771	2,540	4,517	3,792	-254	1,252
Information Analysis and Infrastructure Protection	834	712	894	928	60	216
Inspector General	80	79	82	82	2	3
Total	28,809	26,667	32,000	29,819	3,191	3,152

^a Does not include \$379 million in BA and \$83 million in outlays included in the fiscal year 2004 Iraq conflict supplemental (Public Law 108-11) or \$2 billion in BA for 2004 Disaster Relief Supplemental (Public Law 108-303).

^b Does not include \$622 million in outlays from the 2004 Disaster Relief Supplemental (Public Law 108-303), or \$6.533 billion in BA and \$1.876 million in outlays from the fiscal year 2005 Emergency Appropriations for Hurricane Disasters Assistance Act.

DISCUSSION

Fiscal year 2005 appropriations for the Homeland Security subcommittee total \$3.191 billion more than fiscal year 2004 appropriations (excluding the Iraq conflict and disaster relief supplementals).

Compared to 2004, spending increases for emergency preparedness and response (\$1.838 billion), border and transportation security (\$868 million), the Coast Guard (\$508 million), science and technology (\$203 million), information analysis and infrastructure protection (\$60 million), the Secret Service (\$41 million), and the Office of

the Inspector General (\$2 million). These are partly offset by decreases in department management (\$254 million) and citizenship and immigration services (\$75 million).

Relative to the President's request, the bill increases BA by \$1.050 billion. The increases appear in every spending category: border and transportation security (\$542 million, largely because the bill does not ensure a specific total amount to be raised from airline security fees, as the administration recommended), department management (\$305 million), science and technology (\$77 million), the

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Coast Guard (\$38 million), information analysis and infrastructure (\$30 million), emergency preparedness and response (\$26 million), citizenship and immigration services (\$20 million) and the Secret Service (\$12 million). There are no reductions relative to the President’s request.

The conference report rescinds \$80 million of previously enacted budget authority for: customs and border security salaries and expenses (\$63 million), Coast Guard acquisition, construction and improvement (\$16 million), and the Secret Service (\$1 million).

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